



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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August 10, 1994

TO: Board of Oil, Gas and Mining

THRU: James W. Carter, Division Director *jay* FOR D. WAYNE HEDBERG

THRU: D. Wayne Hedberg, Minerals Permit Supervisor

FROM: Anthony A. Gallegos, Senior Reclamation Specialist *aa*

RE: Request for Approval of Amount and Form of Replacement Reclamation Surety, Umetco Minerals Corporation (Umetco), Calliham Mine M/037/023, San Juan County, Utah

This matter was last brought before the Board in March 1994. At that time, it was discovered the Calliham reclamation estimate did not include reclamation costs for several new features at the site. Division staff decided to retract the request for Board approval at that time.

On April 29, 1994 Umetco presented the Division with a revised reclamation estimate to include the new features. On July 14, 1994, Umetco presented the Division with a revised Reclamation Contract and rider to the surety bond. The rider increases the surety amount to \$39,400 from the previous amount of \$34,800. The surety company of General Insurance Company of America is listed on the 1993 Federal Register as an acceptable company for federal bonds.

This mine operation involves BLM and Fee lands. The operation is currently in a state of suspension. The original surety bond is made out solely to the Division of Oil, Gas and Mining. Under the current MOU for locatable minerals, the Division may hold a bond for operations on BLM lands. The Division will inform the appropriate BLM offices that this surety will not be released without their written approval.

Please refer to the checklist, on the following page, describing the attached items to assist you in your review. Thank you for your time and consideration of this request.

jb
attachments
M37-23.brd

